



# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

DONALD L. WOLFE, Director

900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331  
Telephone: (626) 458-5100  
<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE

REFER TO FILE: **MP-6**

January 30, 2007

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**LEASE AGREEMENT BETWEEN DESCANSANDO PARTNERS, LP  
AND THE COUNTY OF LOS ANGELES  
BUILDING & SAFETY OFFICE  
13523 A AND B TELEGRAPH ROAD  
UNINCORPORATED COUNTY AREA OF WHITTIER  
SUPERVISORIAL DISTRICT 1  
3 VOTES**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find this transaction categorically exempt from the provisions of the California Environmental Quality Act (CEQA).
2. Approve and instruct the Chairman to sign the enclosed Lease Agreement between Descansando Partners, LP., as Lessor, and the County of Los Angeles, as Lessee, for a 3-year term effective February 1, 2007, and ending January 31, 2010, for 2,262 square feet of office space for Public Works' Building & Safety office located at 13523 A and B Telegraph Road, in the unincorporated County area of Whittier. The initial monthly rent is \$2,741.82 increasing yearly to a maximum of \$2,922.78 on the third year, including janitorial services of \$231 per month.

3. Delegate to the Director of Public Works the authority to negotiate and consummate a new Lease Agreement for a term not to exceed 3 years and rent not to exceed \$7,500 per month.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

This action will allow the County to enter into a Lease Agreement with Descansando Partners for use of 2,262 square feet of office space at 13523 A and B Telegraph Road, Whittier, to continue operations of the Public Works Building & Safety office.

This action will also allow the Director of Public Works to administratively negotiate and consummate a new Lease Agreement for a term not to exceed three years and rent not to exceed \$7,500 per month. This action will provide for more efficient processing of the Lease and obviate the need for Board approval of a new Lease.

### **Implementation of Strategic Plan Goals**

This action meets the County Strategic Plan Goal of Service Excellence by providing the residents of the community convenient access to Public Works' services.

### **FISCAL IMPACT/FINANCING**

The initial monthly rent is \$2,741.82 increasing yearly with a maximum rent of \$2,922.78 for the third year. Funds for the first year's rent are available in the 2006-2007 County Engineer Fund.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

This action is authorized by Section 25350.51 of the California Government Code. The Lease Agreement has been reviewed and approved by County Counsel.

### **ENVIRONMENTAL DOCUMENTATION**

This transaction is categorically exempt from CEQA as specified in Section 15301 of the State CEQA Guidelines and as specified in Class 1(r) of the Environmental Document Reporting Procedures and Guidelines adopted by your Board.

The Honorable Board of Supervisors  
January 30, 2007  
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**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the Lease Agreement will allow Public Works to continue providing services to the neighboring community.

**CONCLUSION**

Enclosed are two originals and one duplicate of the Lease Agreement. Please have both originals and duplicate signed by the Chairman and acknowledged by the Executive Officer of the Board. Please return both executed originals to Public Works, retaining the duplicate for your files.

One adopted copy of this letter is requested.

Respectfully submitted,

DONALD L. WOLFE  
Director of Public Works

WDS:mr  
P2\bldeascndargmnt

Enc.

cc: Auditor-Controller (Accounting Division - Asset Management)  
Chief Administrative Office  
County Counsel

**SOUTH WHITTIER  
BUILDING & SAFETY OFFICE**

Lease Agreement No. \_\_\_\_\_

By and between

Descansando Partners, LP

and

County of Los Angeles

## Lease Agreement

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**SOUTH WHITTIER  
BUILDING & SAFETY OFFICE  
COUNTY OF LOS ANGELES  
LEASE AGREEMENT**

THIS LEASE AGREEMENT, made and entered into in duplicate original this \_\_\_\_ day of \_\_\_\_\_, 2007, by and between Descansando Partners, LP, a California Limited Partnership (hereinafter referred to as the Lessor), and the County of Los Angeles, a body corporate and politic (hereinafter referred to as the Lessee),

**WITNESSETH**

**1. DESCRIPTION OF PREMISES**

The Lessor, for and consideration of the performance of the covenants and agreements hereinafter contained to be kept and performed by the Lessee, upon the following terms and conditions, hereby leases to the Lessee, and the Lessee hereby hires and takes of and from the Lessor, those certain premises located at 13523 A and B Telegraph Road, in the unincorporated County area of Whittier, California, more particularly described as follows:

Approximately 2,262 square feet of office space on the ground floor of the building located at the above-referenced addresses and shown in the floor plan attached as Exhibit A.

**2. TERM**

a. Original Term:

The term of this Lease shall be for a period of three (3) years beginning February 1, 2007, and ending January 31, 2010.

b. Options to Renew

Lessee shall have no option to renew this Lease beyond the term herein stated.

**3. RENT**

The Lessee hereby agrees to pay for said demised premises during the term, a base rent plus daily janitorial services at \$0.103 per square foot per month (\$231.00). The monthly per square foot base rent shall be as follows:

\$1.11 from Feb. 1, 2007 through Jan. 31, 2008 (\$1.11 x 2,262 s.f. = \$2,510.82)

\$1.14 from Feb. 1, 2008 through Jan. 31, 2009 (\$1.14 x 2,262 s.f. = \$2,578.68)

\$1.19 from Feb. 1, 2009 through Jan. 31, 2010 (\$1.19 x 2,262 s.f. = \$2,691.78)

The total monthly rent payments to Lessor shall be as follows:

Feb. 1, 2007 through Jan. 31, 2008 ( $\$2,510.82 + \$231.00$ ) = \$2,741.82

Feb. 1, 2008 through Jan. 31, 2009 ( $\$2,578.68 + \$231.00$ ) = \$2,809.68

Feb. 1, 2009 through Jan. 31, 2010 ( $\$2,691.78 + \$231.00$ ) = \$2,922.78

Rental payments shall be due within ten (10) days after the first day of each and every month of the term hereof, provided Lessor has submitted an invoice therefor for each such month to be filed with the County of Los Angeles Department of Public Works, Building & Safety Division, prior to the first day of each month.

**4. USE**

Lessor agrees that the demised premises, together with appurtenances thereto belonging or in any way appertaining, shall be used by the Lessee as office space for Public Works' Building & Safety Division and for other governmental or lawful purposes during normal working hours, after normal working hours, and on weekends and holidays as Lessee may desire.

**5. CANCELLATION**

Lessee shall have the right to cancel this Lease at or anytime after the twelfth (12th) month by giving sixty (60) days' prior written notice.

**6. HOLDOVER**

In case Lessee holds over beyond the end of the term with the express or implied consent of Lessor, such tenancy shall be from month-to-month only, subject to the terms and conditions of this Lease, but shall not be a renewal hereof. The rent shall be at the rate prevailing under the terms of this Lease. Either party may during the holdover cancel this Lease by giving the other party at least thirty (30) days' prior written notice provided, however, that in the event that negotiations are proceeding in good faith but have not been completed prior to the Lease expiration, then the holdover term shall be on a quarterly basis and the Lease may be canceled by either party upon ninety (90) days' prior written notice.

**7. DAMAGE OR DESTRUCTION**

Lessor agrees that should the demised premises, be damaged by fire, incidents of war, earthquake, or other elements as to render them reasonably unfit for Lessee's occupancy as determined by Lessee's sole discretion, then this Lease shall be terminated immediately upon the happening of any such event hereupon. Lessee shall surrender the premises and shall not be obligated for any further rental and Lessor shall refund any unearned rent paid in advance by Lessee calculated at a daily rate based on the regular monthly rental.

In the event of any lesser damage by any such cause that results in damage to ten percent (10%) or less of net usable area of the herein leased building improvements, then Lessor shall commence the repair and restoration of the premises within fifteen (15) days of the event which results in damage to more than ten percent (10%) of the net usable area of the herein leased building improvements, then Lessee shall have the right at its sole discretion to either surrender the premises and not be obligated for any further rental under this Lease, or to cause Lessor to commence the repair and restoration of the premises within fifteen (15) days of the event that necessitated the repair and restoration. Commencement of the repair and restoration under either of the aforementioned conditions shall require (1) securing the area to prevent injury to persons and/or vandalism to the improvements and (2) the placement of a work order or contract for obtaining the Labor and Materials to accomplish the repair and restoration. If Lessor should fail to thereafter pursue said repair and restoration work with reasonable diligence to completion, Lessee may give Lessor fifteen (15) working days' prior written notice and thereafter perform or cause to be performed the restoration work deducting the cost thereof from the installments of rent next due as a charge against the Lessor.

Lessee shall be entitled to a proportionate reduction of rent while such repairs are being made effective on the date of such destruction. The proportionate reduction is to be based upon the proportion that the amount of usable square feet within the lease premises rendered unusable to Lessee bears to the whole rentable square footage thereof. Lessee shall not be entitled to an abatement of rent pursuant to this provision when the damage to the premises is the result of negligence or intentional acts of Lessee's employees.

#### **8. TENANT'S FIXTURES**

Lessor agrees that the Lessee will remove at its own expense, during or at the expiration or other termination of the term of this Lease or any extension or holdover period thereof, as the case may be, all fixtures, equipment, and all other personal property placed or installed in or upon the demised premises by the Lessee, or under its authority.

#### **9. REPAIR, MAINTENANCE, AND REPLACEMENT**

- a. This Lease is a modified full service gross Lease; therefore, Lessor agrees to repair, maintain, and replace as necessary at Lessor's own expense the entire interior and exterior of the premises except personal property of Lessee. Lessor's responsibility shall include, but not be limited to, lamps and tubes, exposed plumbing, fire sprinklers, if applicable, windows, fire extinguishers, floor covering, the sewer system, window coverings, the grounds, parking spaces (including resurfacing and restriping), landscaping, and the basic structure. Basic structure is agreed to include: all permanent exterior and interior walls, floors and ceilings, roof, concealed plumbing, stairways, concealed electrical systems, and heating,

ventilating and air conditioning system and fire sprinklers, if applicable. As part of Lessor's responsibilities for maintaining the premises, Lessor shall provide for (1) furnishing and maintaining sewer services and trash removal and (2) janitorial supplies (including restroom supplies) and janitorial services in accordance with the schedule attached to this Lease as Exhibit B.

- b. In the event Lessor should fail, neglect, or refuse to commence the repair, replacement or maintaining work required by Section 9a herein within five (5) days after written notice has been served by Lessee, or should fail, neglect, or refuse to pursue said replacement or maintenance work with reasonable diligence to completion, Lessee at its sole discretion may perform or cause to be performed said repair, replacement or maintenance work and deduct the reasonable cost thereof from the installments of rent next due as a charge to the Lessor, or the Lessor at its sole discretion may surrender the premises and shall not be liable for any further rental under this Lease.
- c. Lessee agrees to return said premises to Lessor in as good condition as rented, ordinary wear and tear, damage by earthquake, fire or the elements and other disaster or casualty excepted.
- d. In the event that items specified in Section 9a wear out or fail or are damaged by earthquake, fire, or the elements, and/or other public disaster or causally, the Lessor shall replace said items at its own expense, subject to the provisions of Section 7.

#### 10. UTILITIES

Lessee agrees to pay when due all charges for the use of the water, electricity, and power as measured by separate meters accruing or payable in connection with the demised premises during the term of this Lease or any renewal, extension, or holdover thereof.

#### 11. LESSOR'S ACCESS

Lessee agrees to permit the Lessor or Lessor's authorized agents free access to the demised premises at all reasonable times for the purpose of inspection or for making necessary improvements or repairs.

#### 12. DEFAULT

- a. Default by Lessee:

Lessee agrees that if default shall be made in the payment of rent in the manner herein provided or in any of the covenants or agreements herein contained on the part of the Lessee to be kept and performed which constitute a material breach of the Lease, it shall be lawful for the Lessor to declare said term ended and terminate this Lease upon the giving of thirty (30) days' written notice. In addition thereto, Lessor shall have such other rights or remedies as may be provided by Law. Lessor may not terminate the Lease if (1) Lessee cures the default within the thirty (30) days after notice is given, or (2) the default cannot be reasonably cured within the thirty (30) days after notice is given, but Lessee reasonably commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default.

b. Default by Lessor:

Lessor shall not be in default in the performance of any obligation required to be performed under this Lease unless Lessor has failed to perform such obligation within thirty (30) days after the receipt of written notice of default from Lessee specifying in detail Lessor's failure to perform or within such shorter period of time as may be specified herein. Lessee may terminate this Lease upon Lessor's default of any material obligation upon giving of thirty (30) days' written notice of termination. In addition thereto, Lessee shall have such other rights or remedies as may be provided by Law. Lessee may not terminate the Lease if (1) Lessor performs and meets the obligation within the thirty (30) day period (or shorter specified period) after notice of default is given, or (2) the obligation cannot reasonably be performed within thirty (30) days after notice of default is given, but Lessor reasonably commences to cure the default within the thirty (30) day period (or shorter specified period) and diligently and in good faith continues to cure the default.

Lessee shall not exercise any of its rights under this Section, other than its right to give notice, until Lessee gives notice to any person who has requested in writing notice of Lessor's default, and has specified that person's interest in the Lease. The notice to such person shall be for the same period of time as that to which Lessor is entitled. Such person shall have the right to cure the default within the same period of time, after notice, to which Lessor would be entitled.

If Lessor or such person does not cure the default, Lessee may exercise any of its rights or remedies provided for or permitted in this Lease or pursuant to law, including the right to recover any damages proximately caused by the default.

If Lessee is permitted to cure the default under the terms of this Lease, and elects to do so, then Lessee shall be entitled to reimbursement for all of its costs incurred, as well as to recovery for all damages proximately caused to it because of the default.

### Receipt of Notice

Notwithstanding anything in Section 15 herein to the contrary, receipt of notice under this paragraph shall be conclusively presumed to have occurred on the earliest of:

- (1) The date of personal delivery to Lessor or to Lessor's agent or employee at Lessor's place of business, or to a resident over eighteen (18) years of age at Lessor's residence.
- (2) The date delivery shown upon the United States Postal Service's return receipt for certified or registered mail.
- (3) Ten (10) days after deposit of notice to the address stipulated in Section 15, sent by first class mail with the United States Postal Service, provided prior or concurrent notice has been attempted pursuant to Section 15, but delivery has been refused or the notice otherwise returned without delivery.

### 13. **ASSIGNMENT AND SUBLETTING**

Lessee shall have the right, with Lessor's written consent, to assign this Lease or sublease the premises upon the condition that the assignee or sub-Lessee expressly assumes and agrees in writing to pay the rent and to perform each and every covenant and agreement in this Lease required by Lessee to be paid or to be performed. Notwithstanding the foregoing, Lessee shall have the right at all times to assign or sublease to another government agency, assignee contractor, or subcontractor of County without Lessor's written consent, so long as the intended use is consistent and compatible with the other tenancies with the building premises and/or surroundings. Lessee agrees to notify Lessor of any change in tenancy. Lessor will not unreasonably withhold consent for assignment of Lease.

### 14. **ALTERATIONS**

Lessor and Lessee agree not to make any other structural alterations in or on the demised premises without first securing the prior written consent of the other party and further agree to make such alterations only at such time that it is agreeable to said other party. Consent shall be given or denied within thirty (30) days of receipt of written request. Consent shall not be unreasonably withheld. Should there be no response within thirty (30) days, the request is deemed approved. "Structural" alterations shall be any modification to the improvements which results in a change in the structural integrity of the improvements. Notwithstanding any other provision, the Lessee may make non-structural alterations without Lessor's prior written consent. Lessee's Building & Safety Division shall issue the necessary permits gratis.

Any alteration installed by Lessee which are "trade fixtures" as such are defined by the law of eminent domain shall be treated as tenant's fixtures in accordance with the provisions of this Lease.

Lessor shall provide adequate signage of Feliz Plaza marquee as approved by Lessee, at no additional cost to Lessee. The Lessee will be responsible for installing their logo and signage on the building storefront at its own expense.

15. **NOTICES**

Notices desired or required to be given by this Lease or by any law now or hereinafter in effect shall be given by enclosing the same in a sealed envelope with postage prepaid, certified or registered mail, return receipt requested, with the United State Postal Service. Any such notice and the envelope containing the same shall be addressed to the Lessor at Feliz Plaza c/o Descansando Partner, LP, P. O. Box 4792, Covina, CA 91723, or such other place as may hereinafter be designated in writing by the Lessor except that the Lessor shall at all times maintain a mailing address in California, and the notices and envelopes containing the same to the Lessee shall be addressed to the County of Los Angeles Department of Public Works, 900 South Fremont Avenue, 10th Floor, Alhambra, California 91803-1331.

16. **CONDEMNATION**

If the premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of said power (all of which are herein called condemnation) any award for the taking of all or any part of the premises shall be the property of the Lessor, to the extent it is compensation for the taking of the fee or as severance damages. Lessee shall be entitled to that portion of the award, if any, attributable to Lessee's trade fixtures and improvement and for the bonus value of Lessee's leasehold. "Trade fixtures" are agreed to include any tenant improvements installed at the Lessee's request to the extent that Lessee has reimbursed Lessor for such tenant improvements in a lump sum or through amortization included in the rent payments. This Lease shall remain in full force and effect as to the portion of the premises remaining except that the rent shall be reduced in the proportion that the area taken bears to the total leased premises.

In the event of a partial taking of the structure, Lessor shall use the proceeds of the condemnation received by Lessor to restore the premises to a complete architectural unit of a quality, appearance and functional utility at least consistent with the structure as it existed prior to the taking. Rent shall abate for such time and for such areas where reconstruction is required and for those areas not secure nor weather-tight. Failure of Lessor to commence such restoration within thirty (30) days of the actual physical taking of a portion of the structure shall be grounds for Lessee to cancel this Lease by giving Lessor fifteen (15) days' advance written notice of such cancellation. Lessee, in its discretion, may elect to undertake directly the restoration and deduct the cost thereof from the installments of rent next payable to the Lessor. Commencement under the aforementioned condition shall require (1) securing the area to prevent injury to persons and/or vandalism to the improvement and (2) the placement of a work order or contract for obtaining the Labor and Materials to accomplish the restoration.

If more than ten percent (10%) of the floor area of the improvements on the premises, or more than twenty-five percent (25%) of the land area of the premises, which is not occupied by any improvements, is taken by condemnation, Lessee may cancel this Lease. The parties agree that Lessor and Lessee shall each receive independently their relocation assistance.

In the event of a partial taking of the parking area, Lessor shall use his best effort to provide Lessee with eight (8) exclusive off-street parking spaces within five hundred (500) feet of the demised premises.

Failure of the Lessor to provide a minimum of eight spaces at all times entitles Lessee to cancel this Lease by giving Lessor fifteen (15) days' advance written notice of such cancellation; or Lessee may negotiate with Lessor for an equitable reduction in the monthly rent based upon the Fair Market Value of such parking or the loss of such parking if not replaced.

## **17. INSURANCE**

- a. During the term of Lessee's occupancy, Lessor shall keep the building and improvements on the demised premises insured against loss or damage by fire, lightning, vandalism, malicious mischief, and such perils ordinarily defined as "extended coverage" in an amount not less than the full insurable replacement value of said buildings and improvements. The full insurable replacement value shall be reviewed by the insurer at least every year to assure sufficient coverage.
- b. During the term of this Lease, Lessor shall also at all times maintain in force a policy of comprehensive public liability insurance insuring against injury to persons and damage to property. This policy shall have a combined single limit coverage of not less than One Million dollars (\$1,000,000) per occurrence. The policy coverage shall be reviewed by the insurer at least every year to assure sufficient coverage.

- c. Lessor shall cause Lessee and Lessee shall cause Lessor to be named as an additional insured on each of the policies described above and each such policy shall require written notice to Lessee at least thirty (30) days prior to the expiration or other termination of the coverage. Lessor shall at all times be responsible for providing Lessee with evidence that such coverage are in effect and have not been terminated. In the event the Lessor causes or permits the insurance policy or policies to lapse or otherwise terminate, Lessee shall have the option to obtain the policy and deduct the premiums therefor, from the rental payments next due or to self-insured, or Lessee at its sole discretion may surrender the premises effective as of the date specified in the written notice of such surrender and Lessee shall not be liable for any further rental under the Lease.
- d. Lessor agrees to indemnify, defend, and save harmless Lessee, its agents, officers and employees from and against any and all liability, expenses (including defense costs and legal fees), and claims for damages of any nature whatsoever, including but not limited to, bodily injury, death, personal injury, or property damage arising from or connected with Lessor's use, maintenance, or ownership of the premises.

Lessor shall indemnify and hold Lessor free and harmless from any and all liability, claims, loss, damages or expenses (including defense cost and legal fees), arising by reason of bodily injury, death, personal injury, or property damage resulting from Lessee's activities on the premises.

## 18. **TAXES**

Lessor shall pay promptly all real property taxes, assessments and special assessments which may be levied or assessed against the demised premises during the term of this Lease or any renewal or holdover period thereof.

In the event Lessor fails or refuses to pay any or all taxes or assessments when due, Lessee may give Lessor thirty (30) calendar days' prior written notice and thereafter pay such taxes and assessments and deduct the payments from the installments of rent next due as a charge against the Lessor.

## 19. **BINDING ON SUCCESSORS**

Each and all of the terms and agreements herein contained shall be binding upon and shall inure to the benefit to the successors in interest of the Lessor, and whenever the context permits or requires the successors in interest of the Lessee.

## 20. **PARKING SPACES**

Lessor at its sole cost and expense shall provide for the exclusive use by Lessee eight (8) off-street parking spaces located adjacent to building within immediate vicinity of the leased space (see Exhibit C). No tandem spaces will be included and all spaces will be "in and out" as long as that design is consistent with County policy.

Failure of the Lessor to provide a minimum of eight (8) spaces at all times shall entitle Lessee to cancel this Lease by giving Lessor fifteen (15) days' advance written notice of such cancellation; or Lessee may negotiate with Lessor for an equitable reduction in the monthly rent based upon the Fair Market Value of such parking if not replaced.

## 21. **HAZARDOUS MATERIALS**

### a. Definition:

For purposes of this Lease, the term "hazardous substances" shall be deemed to include hazardous, toxic or radioactive substances as defined in California Health and Safety Code Section 25316 as amended from time to time, or the same or a related defined term in any successor or companion statutes, and crude oil or byproducts of crude oil other than crude oil which exist on the property as a natural formation, and those chemicals and substances identified pursuant to Health and Safety Code Section 25249.8.

### b. Warranties and Representations:

1. Lessor hereby warrants and represents based upon appropriate and reasonable inspection of the premises, that during its ownership of the premises, hazardous substances have not been released on the premises; that it has no knowledge of any release of hazardous substances on the premises occurring before its ownership; that it has no knowledge or reason to believe that there are hazardous substances on the premises; that Lessor shall comply with all Federal, State, and local laws and regulations concerning the use, release, storage and disposal of hazardous substances; and the Lessor shall require all other tenants, if any, of the subject property to comply with the aforementioned rules and regulations.
2. Lessee hereby warrants and represents that it shall comply with all Federal, State and local laws and regulations concerning the use, release, storage and disposal of hazardous substances on the premises.

c. Notice:

Lessor and Lessee agree to immediately notify each other when either party learns that hazardous substances have been released on the premises or, if a multi-tenant property, on the subject property.

d. Indemnity:

1. Lessor agrees to indemnify, defend, and save Lessee, its agents, officers and employees from or against all liability, expenses (including defense costs, legal fees, and response costs imposed by law), and claims for damages of any nature whatsoever which arise out of the presence of hazardous substances on the premises, which has not been caused by Lessee.
2. Lessee agrees to indemnify, defend, and save harmless Lessor from and against all liability, expenses (including defense costs, legal fees, and response costs imposed by law), and claims for damages of any nature whatsoever which arise out of the presence of hazardous substances on the premises caused by Lessee.
3. The indemnity provided each Party by this provision shall survive the termination of the Lease.

e. Default:

The presence or release of hazardous substances on the premises and/or subject property, which is not caused by Lessee and which threatens the health and safety of Lessee's agents, officers, employees or invitees, as determined by Lessee's sole discretion, shall entitle Lessee to immediately terminate this Lease. In the event of such termination, Lessee shall not be obligated for any further rental and Lessor shall refund any unearned rent paid in advance by Lessee calculated at a daily rate based on the regular monthly rental.

f. Operating Costs:

Costs incurred by Lessor as a result of the presence or release of hazardous substances on the premises and/or subject property which are not caused by Lessee are extraordinary costs not considered normal operating expenses and shall not be passed through to Lessee as part of its obligation, if any, to pay operating expenses.

g. Asbestos Notification:

Lessor agrees to notify (County/Lessee) at least annually of Lessor's knowledge of the presence of asbestos containing materials within the building of which the demised premises is part. Such notification shall comply with Health and Safety Code Sections 25915, et seq., as amended from time to time, or as required by any successor or companion statutes enacted subsequent to this Lease and Agreement

22. **GENERAL PROVISIONS**

a. Waiver

The waiver by Lessor or Lessee of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition on any subsequent breach of the same or any other term, covenant or condition herein contained.

b. Marginal Headings:

The Section titles in this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

c. Time:

Time is of the essence of this Lease and each and all of its provisions in which performance is a factor.

d. Recordation:

Either party may record this Lease at any time without the prior written consent of the other party.

e. Quiet Possession:

Upon Lessee paying the rent hereunder, Lessee shall have quiet possession of the demised premises for the entire term hereof subject to all the provisions in this Lease.

f. Prior Agreements:

This Lease contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Lease and no prior agreements or understanding pertaining to any such matter shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors-in-interest. This Lease shall not be effective or binding on any party until fully executed by both parties hereto.

g. Force Majeure:

In the event that either party is delayed or hindered from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials not related to the price thereof, failure of power, restrictive governmental laws and regulations, riots, insurrection, war, or other reasons of a like nature beyond the control of such party, then performance of such acts shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

h. Attorney's Fees:

In the event of any action or proceeding brought by either party against the other under this Lease, the prevailing party shall be entitled to recover all costs and expenses including the fees of its attorneys in such action or proceeding in such amount as the court or arbitrator may adjudge reasonable as attorneys fees.

i. Separability:

Any provision of this lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provisions shall remain in full force and effect.

j. Cumulative Remedies:

No remedy or election hereunder shall be deemed exclusive but shall wherever possible be cumulative with all other remedies at law or in equity.

k. Choice of Law:

This Lease shall be governed by the laws of the State of California, exclusive of conflict of law provisions.

l. Warranties Guarantees:

In the event that any of the items required to be maintained and repaired by the Lessor under the provisions of Section 9a herein are protected by warranties or guarantees, the Lessee shall be entitled to the full benefit of such protection as if it were the original purchaser thereof.

m. Impairment of Title:

Lessor hereby covenants to notify Lessee in writing within thirty (30) days of each and every occurrence which may impair Lessor's title to the demised premises. Such occurrences include, but are not limited to, default on a trust deed, transfer of any interest in any trust deed, notification of any lien recordation, notification of any foreclosure, and notification of default in the master Lease if applicable. Lessor further agrees to notify Lessee, in writing, within ten (10) days of receipt of any written notice regarding redevelopment zoning, or conditional use permits which affect the property, the subject of this Lease or real property adjacent thereto.

n. Arbitration or Mediation:

In the event of any dispute regarding the terms, conditions, rights or obligations of the parties hereto, such dispute may, at the request of the Lessee, be submitted to arbitration or mediation in accordance with the provisions of Government Code Section 11420.10. County of Los Angeles Department of Public Works, or its designee, shall act on behalf of Lessee in arbitration, with the assistance of Counsel, for so long as the County is the Lessee under this Lease.

o. Construction:

Any and all construction pertaining to this Lease and Agreement by Lessor his designated contractors or subcontractors shall comply with applicable, County, State and Federal regulations, codes and ordinances, including but not limited to all provisions of the Labor Code of the State of California. Under the provisions of said Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly rate in dollar and details' pertinent thereto for each craft, classification or type of workman or mechanic needed for the construction of the improvements

p. Interpretation:

The language of this Lease shall be construed according to its fair meaning and not strictly for or against Lessor or Lessee.

23. **WARRANT OF AUTHORITY**

Each of the undersigned signatories for the Lessor hereby personally covenant, warrant and guarantee that each of them, jointly and severally, have the power and authority to execute this Lease upon the terms and conditions stated herein and each agrees to indemnify and hold harmless the Lessee from all damages, costs, and expenses, which result from a breach of this material representation.

## 24. ESTOPPEL CERTIFICATE

Either party shall at any time upon not less than thirty (30) days' prior written notice from the other party execute, acknowledge, and deliver to the requesting party a statement in writing (1) certifying that this Lease is unmodified and in full force and effect (or if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the rent and other charges are paid in advance, if any, and (2) acknowledging that there are not to the declarant's knowledge, any uncured defaults on the part of either party hereunder, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchase or encumbrancer of the building complex or any other interested party. Failure to deliver such statement within such time shall be conclusive evidence (a) that this Lease is in full force and effect without modification except as may be represented by the requesting party in the written request for the certificate, (b) that there are no uncured defaults in either party's performance, and (c) that not more than one month's rent has been paid in advance.

## 25. HYPOTHECATION OF LEASEHOLD

- a. The Lessor may, without the consent of Lessee, assign, transfer, mortgage, hypothecate, or encumber Lessor's right, title, and interest in and to this Lease or any portion thereof (including, but not limited to, the right to receive rental payments), and Lessor may execute any and all instruments providing for the payment of rent directly to an assignee or transferee, but only if all the conditions set forth in Section 25.b. are met. Any document or agreement purporting to assign, transfer, mortgage, hypothecate, or encumber Lessor's portion thereof, or any related instrument, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is entered into in violation of this Section 25, shall be null and void.
- b. No Security Agreement shall be effective unless all the following conditions are satisfied:
  - (1) Each recipient of or beneficiary under the Security Agreement shall agree in writing (a) to recognize all of Lessee's right, title, and interest in and to this Agreement as long as Lessee performs and complies with the terms and conditions of this Agreement, (b) not to engage in or permit the further assignment, transfer, mortgage, hypothecation, or encumbrance of, or the sale of certificates of participation or other fractional interests in, Lessor's rights so assigned, transferred, mortgaged, hypothecated, or encumbered, except with Lessee's prior written consent, (c) not to engage in or permit any amendment or modification of the Security Agreement except with Lessee's prior written consent, (d) not to sell or permit the sale of certificates of participation or other fractional interests in this Agreement or any portion thereof, and (e) not to assign any rights under this Agreement to a trustee for the benefit of the owners of certificates of participation or fractional interests in the rights so assigned.


- (2) Lessor shall give Lessee notice and a copy of the Security Agreement and any other instrument relating thereto (including, but not limited to, instruments providing for the payment of rent directly to an assignee or transferee) at least two weeks prior to the effective date thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement as of the date and year first written.

LESSOR:

DESCANSANDO PARTNERS, LP,  
a California Limited Partnership

By: CASI DESCANSANDO, LLC,  
a California Limited Liability Company,  
its general partner

By   
Name: Lawrence Bradley Kaplan  
Title: Manager

LESSEE:

COUNTY OF LOS ANGELES,  
a body corporate and politic

By \_\_\_\_\_  
Chairman, Board of Supervisors

(COUNTY-SEAL)

ATTEST:

SACHI A. HAMAI, Executive Officer  
of the Board of Supervisor of the  
County of Los Angeles

By \_\_\_\_\_  
Deputy

WDS:mr  
P2lsowhittier

ACKNOWLEDGMENT FORM

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF ORANGE )  
~~LOS ANGELES~~ )

On 12-21-06, before me, Mary E. Butts, Notary Public,  
(insert name of the officer) (insert title of the officer)

personally appeared Lawrence Bradley Kaplan

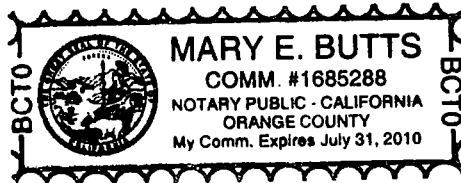
(insert name(s) and title(s))

~~personally known to me~~ (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument, the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal

Signature

Mary E. Butts



(Seal)

NOTARIES: ATTACH ADDITIONAL OR OTHER FORMS, IF REQUIRED

ACKNOWLEDGMENT FORM

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF LOS ANGELES )

On \_\_\_\_\_, before me, CONNY B. McCORMACK, Registrar-Recorder/County Clerk of the County of Los Angeles, personally appeared \_\_\_\_\_

\_\_\_\_\_ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity on behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

CONNY B. McCORMACK, Registrar-Recorder/  
County Clerk of the County of Los Angeles

By \_\_\_\_\_

Deputy County Clerk

(Seal)

STATE OF CALIFORNIA            )  
  ) ss.  
COUNTY OF LOS ANGELES        )

On January 6, 1987, the Board of Supervisors for the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts adopted a resolution pursuant to Section 25103 of the Government Code that authorized the use of facsimile signatures of the Mayor of the Board on all papers, documents, or instruments requiring the Mayor's signature.

The undersigned hereby certifies that on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, the facsimile signature of \_\_\_\_\_, Mayor of the Board of Supervisors of the COUNTY OF LOS ANGELES, was affixed hereto as the official execution of this document. The undersigned further certifies that on this date a copy of the document was delivered to the Mayor of the Board of Supervisors of the COUNTY OF LOS ANGELES.

In witness whereof, I have also hereunto set my hand and affixed my official seal the day and year above written.

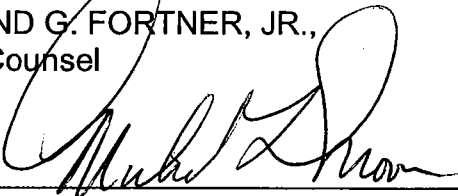
SACHI A. HAMAI, Executive Officer  
of the Board of Supervisors  
of the County of Los Angeles

(COUNTY-SEAL)

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM

RAYMOND G. FORTNER, JR.,  
County Counsel

By  \_\_\_\_\_  
Deputy

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EXHIBIT A

## EXHIBIT "B"

### CLEANING AND MAINTENANCE SCHEDULE

This list reflects the various cleaning and maintenance requirements for the leased office spaces. Responsibility for this cleaning and maintenance service belongs to the Lessor.

#### Daily (Monday through Friday)

1. Carpets vacuumed.
2. Composition floors dust-mopped.
3. Desks, desk accessories and office furniture dusted. Papers and folder left on desks not to be moved.
4. Waste baskets and other trash receptacles emptied.
5. Chairs and wastebaskets returned to proper position.
6. Fingerprints removed from glass doors and partitions.
7. Drinking fountains cleaned, sanitized, and polished.
8. Lavatories, toilets, and toilet rooms cleaned and mopped. Toilet supplies replenished.
9. Bulb and tube replacement, as required.
10. Graffiti expunged as needed within two (2) working days after the notice by Lessee.

#### Weekly

1. Low-reach areas, chair rung, baseboards, and insides of door-jambs dusted.
2. Window sills, ledges, and wood paneling and molding dusted.

#### Monthly

1. Floors washed and waxed in uncarpeted office area.
2. high-reached areas, door frames and tops of partitions dusted
3. Upholstered furniture vacuumed, plastic, and leather furniture wiped.
4. Picture moldings and frames dusted.
5. Wall vents and ceiling vents vacuumed.

#### Quarterly

1. Light fixtures cleaned and dusted.
2. Wood furniture polished.
3. Draperies vacuumed.

#### Semi-Annually

Windows washed as required inside and outside but not less frequently than twice annually.

#### Annually

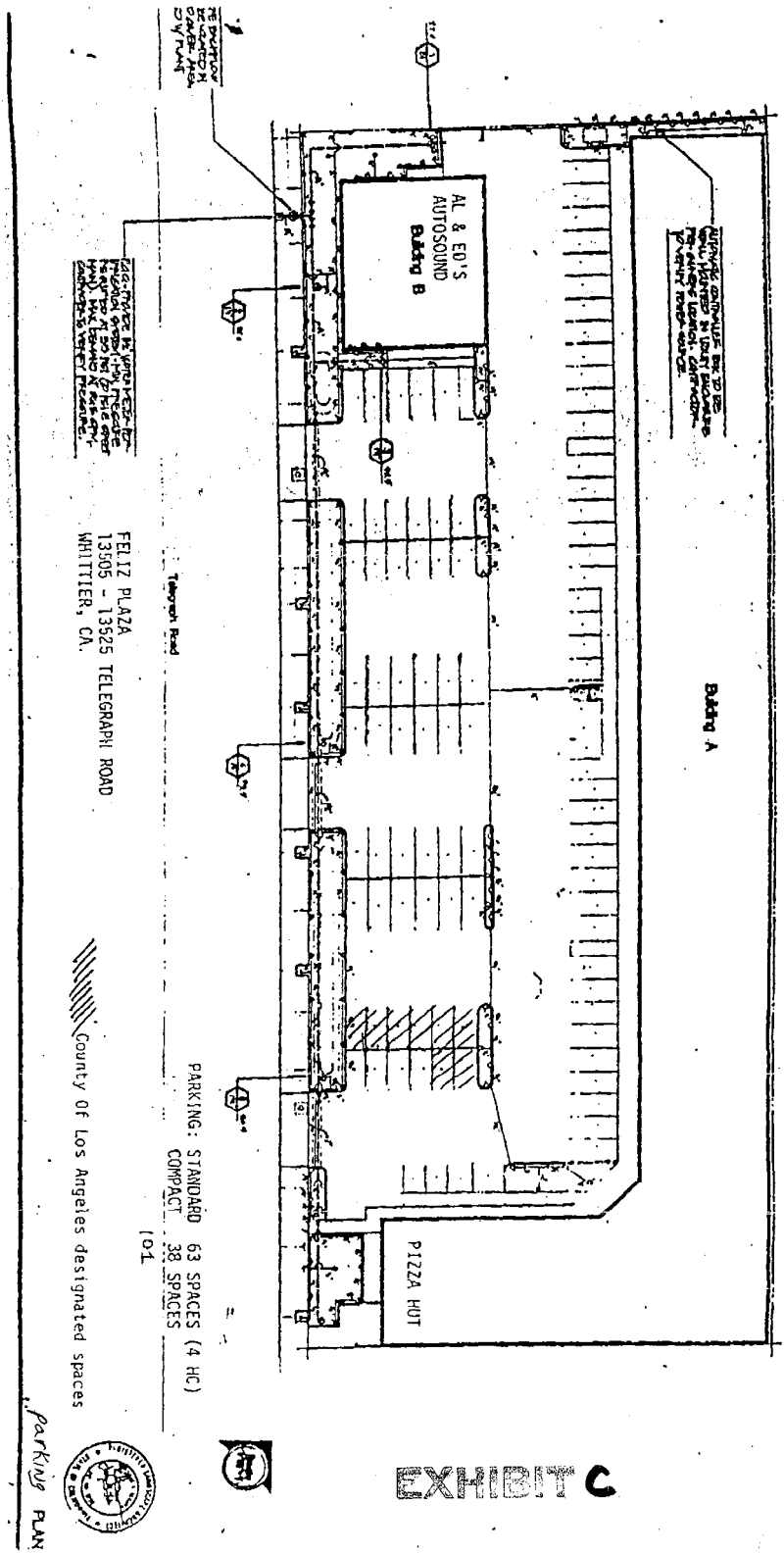
1. Carpets cleaned.

#### As Needed

The sidewalks, driveways, parking areas, and all means of access and egress for the demised premises should be maintained in good repair, clean and safe condition.

All lawns, shrubbery, and foliage on the grounds of the demised premises should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.

# EXHIBIT C



# EXHIBIT C